House Business and Utilities Subcommittee Am #1

Subcommittee Am. #1	FILED
Amendment No	Date
	Time
	Clerk
Signature of Sponsor	Comm. Amdt.

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AMEND Senate Bill No. 2212

House Bill No. 1975*

by deleting all language after the caption and substituting instead the following:

WHEREAS, Tennessee law requires nonprofit corporations organized under the Tennessee Nonprofit Corporation Act to use their assets to fulfill their charitable purposes and not for the benefit of private parties; and

WHEREAS, certain nonprofit corporations organized and operated under Tennessee law are licensed or chartered as regional or local chapters, councils, or other designations, by separate legal entities in the form of nonprofit foreign corporations operating nationally; and

WHEREAS, the terms of some of these license or charter agreements reflect a profound imbalance of power that fails to give regard to the legitimate interests and charitable purposes of Tennessee nonprofit corporations; and

WHEREAS, the General Assembly has a significant interest in protecting the assets of Tennessee nonprofit corporations; and

WHEREAS, it is the intent of the General Assembly that Tennessee nonprofit corporations be protected from risk of loss of their licenses or charters from national nonprofit corporations for reasons that are not based on good cause; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 48, Chapter 53, is amended by adding the following as a new part:

- (a) This part shall be known and may be cited as the "Nonprofit Fair Asset Protection Act."
 - (b) Notwithstanding any provision of law to the contrary, it is unlawful for:







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- (1) A national nonprofit corporation that has received a charter under 36 U.S.C. Subt. II, Pt. B, to terminate, revoke, suspend, or fail to renew a license or charter affiliating a Tennessee nonprofit corporation with the national nonprofit corporation absent good cause;
- (2) A national nonprofit corporation that has received a charter under 36 U.S.C. Subt. II, Pt. B, to discriminate against a licensed or chartered affiliated Tennessee nonprofit corporation by imposing requirements not imposed on other similarly situated affiliates of the national nonprofit corporation; or
- (3) A national nonprofit corporation that has received a charter under 36 U.S.C. Subt. II, Pt. B, to act indirectly to accomplish what would be otherwise prohibited under this part.
- (c) For the purpose of this part, "good cause" means to exclude any refusal or failure by the Tennessee nonprofit corporation to make purchases of or to contract to make purchases of goods or services where the board of directors of the Tennessee nonprofit corporation determines, according to the standards set forth in § 48-58-301, that making a purchase or contracting to make a purchase is not in the best interest of the Tennessee nonprofit corporation or is commercially unreasonable.
- (d) Any condition, stipulation, provision, or term of any agreement that is in conflict with this part or that would purport to waive or restrict the application of any provision of this part is void and unenforceable.
- (e) Nothing in this part abrogates or amends the standards for directors set forth in § 48-58-301.
- (f) In addition to any other remedies or rights of actions, a Tennessee nonprofit corporation that is injured by a violation or threatened violation of this part may bring a private right of action for injunctive relief and to recover costs and reasonable attorneys' fees if the Tennessee nonprofit corporation is the prevailing party in the action.

(g) All ordinances, resolutions, rules, or requirements of any type that are in conflict with this part are void and unenforceable.

SECTION 2. If any provision of this act or its application to any person or circumstance is held invalid, then the invalidity shall not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to that end the provisions of this act shall be severable.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.

AMEND Senate Bill No. 2658

House Bill No. 2023*

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 66-28-102, is amended by deleting subsections (a) and (b) and substituting instead the following:

- (a) In counties having a population of more than seventy-five thousand (75,000), according to the 2010 federal census or any subsequent federal census, this chapter applies to rental agreements entered into or extended or renewed after July 1, 1975. Transactions entered into before July 1, 1975, and not extended or renewed after that date, and the rights, duties, and interests flowing from them remain valid and may be terminated, completed, consummated, or enforced as required or permitted by any statute or other law amended or repealed by this chapter as though the amendment or repeal has not occurred.
- (b) For all other counties in this state not included in subsection (a), this chapter applies to rental agreements entered into or extended or renewed on or after January 1, 2019.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

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AMEND Senate Bill No. 2068*

House Bill No. 2170

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 5-16-103, is amended by adding the following as a new subsection:

- (n) Notwithstanding subsections (a)-(d), a county having a population greater than nine hundred thousand (900,000), according to the 2010 federal census or any subsequent federal census, that creates a county board of public utilities on or after the effective date of this act may call, in the resolution creating the board, for the election of the members of the board at the regular August election. The resolution shall:
 - (1) Specify the number of members of the board of public utilities;
 - (2) Specify the length of the terms of the members;
 - (3) Provide for the staggering of terms;
 - (4) Provide for the removal of members;
 - (5) Provide for the filling of vacancies on the board; and
 - (6) Specify the compensation for the members, if any.

SECTION 2. Tennessee Code Annotated, Section 5-16-109, is amended by adding the following as a new subsection:

(c) A board or administrative agency that is increasing the charges for fire protection services by more than ten percent (10%) shall obtain approval for such increase from the county legislative body prior to the increase taking effect. This subsection applies in any county having a population greater than nine hundred





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thousand (900,000), according to the 2010 federal census or any subsequent federal census.

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SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring

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AMEND Senate Bill No. 2306*

House Bill No. 2412

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 3-6-309, is amended by designating the language in subsection (b) as subdivision (b)(1) and adding the following as a new subdivision (b)(2):

(2) Notwithstanding subdivision (b)(1), the commission may elect not to suspend, deny, or revoke the registration of a lobbyist if the commission determines that the default or delinquency is the result of a medical hardship that prevented the person from working in the person's licensed field and the medical hardship significantly contributed to the default or delinquency.

SECTION 2. Tennessee Code Annotated, Section 3-6-309, is amended by adding the following as a new subdivision (c)(2)(C)(v):

(v) Whether the debtor's default or delinquency is the result of a medical hardship that prevented the debtor from working in the person's licensed field and the medical hardship significantly contributed to the default or delinquency.

SECTION 3. Tennessee Code Annotated, Section 23-3-111, is amended by adding the following at the end of the section:

The supreme court is further encouraged to establish guidelines that would not suspend, deny, or revoke the license of an attorney if the default or delinquency is the result of a medical hardship that prevented the person from working in the person's licensed field and the medical hardship significantly contributed to the default or delinquency.







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SECTION 4. Tennessee Code Annotated, Section 49-5-108, is amended by designating the language in subdivision (d)(2) as subdivision (d)(2)(A) and adding the following as a new subdivision (d)(2)(B):

(B) Notwithstanding subdivision (d)(2)(A), the state board of education may elect not to suspend, deny, or revoke the license or certificate of a teacher if the default or delinquency is the result of a medical hardship that prevented the person from working in the person's licensed field and the medical hardship significantly contributed to the default or delinquency.

SECTION 5. Tennessee Code Annotated, Section 49-7-2125, is amended by designating the language in subsection (b) as subdivision (b)(1) and adding the following as a new subdivision (b)(2):

(2) Notwithstanding subdivision (b)(1), the secretary of state may elect not to suspend, deny, or revoke the registration of an athlete agent or applicant if the default or delinquency is the result of a medical hardship that prevented the person from working in the person's licensed field and the medical hardship significantly contributed to the default or delinquency.

SECTION 6. Tennessee Code Annotated, Section 49-7-2125, is amended by adding the following as a new subdivision (c)(2)(C)(v):

(v) Whether the debtor's default or delinquency is the result of a medical hardship that prevented the debtor from working in the debtor's licensed field and the medical hardship significantly contributed to the default or delinquency.

SECTION 7. Tennessee Code Annotated, Section 56-1-109, is amended by designating the language in subsection (b) as subdivision (b)(1) and adding the following as a new subdivision (b)(2):

(2) Notwithstanding subdivision (b)(1), a licensing authority may elect not to suspend, deny, or revoke the license of a person if the default or delinquency is the result of a medical hardship that prevented the person from working in the person's

licensed field and the medical hardship significantly contributed to the default or delinquency.

SECTION 8. Tennessee Code Annotated, Section 56-1-109, is amended by adding the following as a new subdivision (c)(2)(C)(v):

(v) Whether the debtor's default or delinquency is the result of a medical hardship that prevented the debtor from working in the debtor's licensed field and the medical hardship significantly contributed to the default or delinquency.

SECTION 9. Tennessee Code Annotated, Section 56-1-312, is amended by designating the language in subsection (a) as subdivision (a)(1) and adding the following as a new subdivision (a)(2):

(2) Notwithstanding subdivision (a)(1), a licensing authority may elect not to suspend, deny, or revoke the license of a person if the default or delinquency is the result of a medical hardship that prevented the person from working in the person's licensed field and the medical hardship significantly contributed to the default or delinquency.

SECTION 10. Tennessee Code Annotated, Section 56-1-312, is amended by adding the following as a new subdivision (b)(2)(C)(iv):

(iv) Whether the debtor's default or delinquency is the result of a medical hardship that prevented the debtor from working in the debtor's licensed field and the medical hardship significantly contributed to the default or delinquency.

SECTION 11. Tennessee Code Annotated, Section 63-1-141, is amended by designating the language in subsection (a) as subdivision (a)(1) and adding the following as a new subdivision (a)(2):

(2) Notwithstanding subdivision (a)(1), a licensing authority may elect not to suspend, deny, or revoke the license of a person if the default or delinquency is the result of a medical hardship that prevented the person from working in the person's

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licensed field and the medical hardship significantly contributed to the default or delinquency.

SECTION 12. Tennessee Code Annotated, Section 63-1-141, is amended by adding the following as a new subdivision (b)(2)(C)(iv):

(iv) Whether the debtor's default or delinquency is the result of a medical hardship that prevented the debtor from working in the debtor's licensed field and the medical hardship significantly contributed to the default or delinquency.

SECTION 13. For purposes of promulgating rules, this act shall take effect upon becoming a law, the public welfare requiring it. For all other purposes, this act shall take effect January 1, 2019, the public welfare requiring it.